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Jeffrey M. Nelson
Chief Counsel & Director of Legal Services

March 21, 2018

VIA ELECTRONIC FILING

Jocelyn G. Boyd, Esquire
Chief Clerk & Administrator
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210

Re: South Carolina Electric & Gas Company Request for Approval of a Contract for Electric Service with Trane U.S., Incorporated and Request for Confidential Treatment
Docket No. 2018-73-E

Dear Ms. Boyd:

Please allow this letter to serve as notification that the Office of Regulatory Staff's Utility Rates and Services Division has reviewed and discussed with South Carolina Electric & Gas Company ("SCE&G" or "Company") personnel the Company's request for approval of a contract for electric service ("Contract") with Trane U.S., Incorporated ("Trane").

Trane, a provider of indoor comfort systems, manufactures components and units for heating, ventilation and air conditioning systems at its existing Killian Road facility in Richland County. Trane is planning on investing \$96 million to expand the Killian Road facility by 680,000 square feet. As a result of the expansion, Trane expects to create 700 new jobs over the next three years, more than doubling its existing workforce.

SCE&G will provide electric service to the facility in accordance with the Company's Rate 23 – Industrial Power Service along with an Economic Development Incentive Credit ("Credit"). The Contract has an initial term of ten (10) years, unless SCE&G and Trane agree to an early termination, and is extended automatically until terminated by either party giving the other a written Minimum Termination Notice.

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Based on our review of the information provided, ORS supports the Company's Contract with Trane. ORS has no objection to the request for confidential treatment of certain provisions in the contract which include pricing and design information designated by Federal Energy Regulatory Commission (FERC) as Critical Energy/Electric Infrastructure Information

Thank you for your consideration in this matter and please do not hesitate to contact me if you have any concerns regarding the matter above.

Sincerely,



Jeffrey M. Nelson

cc: Matthew W. Gissendanner, Esquire (via E-Mail)
Joseph Melchers, Esquire (via E-Mail)